

**TITLE: CIB 99-2 Latest ES-06/FS-1 Maximum Pay Rate**

January 20, 1999

MEMORANDUM FOR ALL CONTRACTING OFFICERS AND NEGOTIATORS

TO: Distribution List FAC  
FROM: M/OP, Marcus L. Stevenson, Procurement Executive  
SUBJECT: Latest ES-06/FS-1 Maximum Pay Rate

**CONTRACT INFORMATION BULLETIN 99 - 2**

This CIB supersedes and cancels CIB 98-2 and its Addendum (but see below).

These following rates are effective on the first day of the first applicable pay period beginning on or after 1/1/99:

The ES-6 rate remains \$118,400 per year. The maximum hourly rate remains at \$56.92.

The maximum annual rate for an FS-1 has increased to \$97,201, and the maximum hourly rate is therefore \$46.73. This FS-1 information is provided for your convenience for those contracts which still require prior CO approval of contractor salaries exceeding the maximum rate for an FS-1.

**NOTE:** We do not intend to provide the FS-1 rate in the future. The salary policy changed from the FS-1 rate to the ES-6 rate in 1994, so very few, if any, contracts should still be in place that use the FS-1 rate. Further, contracting officers were encouraged in CIB 98-2 to modify contract language that includes the "FS-1" rate to read "ES-6". Accordingly, we see little benefit in continuing to provide the FS-1 rate and consider that doing so may encourage its continued use.

Because the FS-1 rate usually increased every year, we have been issuing a CIB on an annual basis. However, since the ES-6 rate does not usually change every year (1998 was the first increase since the policy changed in 1994), we do not anticipate that an annual CIB will be needed, and this CIB remains in effect until superseded or cancelled.

For both the ES-6 and the FS-1, the annual salaries are the determining rates, and the hourly rates are provided for your convenience. The rationale provided in the Addendum to CIB 98-2, explaining the method used to calculate the hourly rates, still applies.

Institutional contractor employees are NOT entitled to salary adjustments based on the locality-based comparability payments authorized for direct-hire U.S. Government employees.

Any questions about this CIB should be addressed to Diane Howard, M/OP/P at 202-712-0206 or [dhoward@usaid.gov](mailto:dhoward@usaid.gov).